

WORLD TRADE ORGANIZATION

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Council for Trade in Goods

TRADE FACILITATION

Update of Background Note G/C/W/80

Addendum

The present note updates information on work already done or being done in the area of trade facilitation by a number of international organizations, as initially set out in document G/C/W/80 of May 1997. The note concentrates mainly on activities that have occurred since May 1997, but takes also into account any additional information on work already mentioned in the original background note, as provided by the relevant international organizations. The notes relies exclusively on information obtained from the organizations mentioned below.

I. INTERGOVERNMENTAL ORGANIZATIONS

United Nations/Economic Commission for Europe (UN/ECE)

1.1 (*Update of paragraph 9*): EDI, and UN/EDIFACT, can be classified as one of the cornerstones of Electronic Commerce. Within the work programme of CEFACT there are activities for the review, monitoring and evaluation of on-going developments in the information technology area in order to incorporate appropriate new technologies, such as those related to Electronic Commerce, into its work. Recommendation 25, which encourages the use of UN/EDIFACT by governments in their administrations and in their EDI communications with the private sector, was adopted by the UN Economic and Social Council as a UN Recommendation in July 1997 .

1.2 (*Update of paragraph 13*): One of the main objectives of dynamic International Trade Transaction modelling is to enable the future possibility of using EDIFACT to expedite and facilitate transactions at all levels. Therefore, the dynamic modelling takes into account the work of the CEFACT Business Process Analyses Working Group, which through the inception of CEFACT succeeded the Business and Information Modelling (BIM) Group. To enable the use of electronic messages, it is necessary to create the model as detailed as possible in specific areas (transport of goods, payments, etc.) and to identify message functions, sequence, business rules and constraints that apply to each business area. These business data attributes and relationships, defined in scenarios of EDI supported activities, would be mapped to EDIFACT structures as specified by the EDIFACT syntax.

1.3 (*Update of Annex II, paragraph 5*): The syntax rules govern the structure of United Nations Standard Messages (UNSM) which is a structured set of data values relating to a business function, organized as a collection of sequenced segments. The segments consist of data elements that, together, define a precise concept. The UNSM is designed to be applicable across business sectors. UN/EDIFACT concerns the message only; the communication method is not part of the standard, thus messages can be sent across both commercial and public networks as well as the Internet.

UN/EDIFACT is also independent of hardware and software, just as the recommendations do not define how to write on the paper, using pencil, typewriter, etc. Many such messages have been developed and are contained in the UN/EDIFACT United Nations Standard Message Directory (UNSM A total of 175 UNSMs are specified in the latest Directory, with a large number of other messages in the development stage.

1.4 (*Update of Annex II, paragraph 6*): The UN/EDIFACT Working Group (EWG) meetings are held twice a year to develop messages and are attended by over 300 technical experts. The UN/EDIFACT Directories are approved and published, following each meeting, in accordance with an approved version/release process. As part of this process, there is a formal audit to ensure the quality of the UN/EDIFACT product. These directories are available from the UN/ECE Trade Facilitation Internet site (<http://www.unece.org/trafix>) as well as from national, regional and international organizations that support the process, and the ECE Secretariat.

United Nations Conference on Trade and Development (UNCTAD)

1.5 With regard to UNCTAD's "Trade Points," the number of operational Trade Points has increased from 40 (1997) to 44 (1998), while 21 Trade Points are currently in the development stage, while the remaining 84 are still in the feasibility stage, which means that UNCTAD has upon request by a government, appointed a Trade Point Coordinator.

1.6 Two other UNCTAD products, ASYCUDA and ACIS have been enjoying increased demand over the last year. Different versions of ASYCUDA have been installed in over 80 countries. ACIS PortTracker and RailTracker modules have been installed 14 countries, with requests pending from more than 10 additional countries.

1.7 A new improved version of ASYCUDA (ASYCUDA⁺⁺) offers the traditional core features, i.e system administration, national configuration, tariff and masterfile maintenance, cargo manifest handling, declaration processing and accounting. In addition ASYCUDA⁺⁺ offers to users a number of important new features: one of the most important enhancements is the full implementation of the European Single Administrative Document (SAD). The system also has the technical ability to introduce new declaration formats based on other regional declaration standards. The concept of direct trader input (DTI) offers important advantages to Customs and brokers who can now enter a number of declarations locally before establishing the connection to Customs to submit them for processing; the concept of direct shipper input (DSI) offers similar advantages to Customs and shippers who can now enter the manifest information in their offices and transmit it to Customs for processing; external system communication can be done through UN/EDIFACT messages; and a modern and user friendly tariff language has been developed enabling Customs to maintain their tariff rules and calculation algorithms without the need to do any programming or recompilation of any parts of the system; this language can access all declaration data elements and link the into formulas using standard logical and mathematical operators and functions. A flexible selectivity module provides Customs with a powerful tool to significantly accelerate the goods clearance process while at the same time improving its control capacity; it efficiently selects consignments for inspection through selection criteria (including a random rate) which can be maintained at national, regional and local levels. Full auditability of the transaction files provide an additional tool to tighten the functional security of the system.

World Customs Organization (WCO)

1.8 Membership of the WCO has increased from 142 to 149 in 1998. With regard to the revision of the International Convention on the Simplification and Harmonization of Customs Procedures -- Kyoto Convention -- (paragraphs 32-36 of document G/C/W/80), the following additional information

has become available since May 1997. It is proposed that the Convention will contain ten “specific” annexes, on (i) procedures concerning formalities prior to the lodgement of the Goods Declaration, (ii) procedures concerning home use, (iii) procedures concerning outright exportation, (iv) procedures concerning customs warehouses and freezones, (v) procedures concerning transit, (vi) procedures concerning processing, (vii) procedures concerning temporary admission, (viii) origin, (ix) offences, and (x) special procedures. The Council of the WCO has agreed that reservations will not be allowed against any of the standards in the revised Convention. Furthermore, it is proposed that the revised Convention will be brought into force by means of a protocol of amendment. Contracting parties will have a period of up to two years to implement standards, and up to five years to implement transitional standards.

International Convention on the Harmonized Commodity Description and Coding System

1.9 (update of paragraph 41) The Harmonized Commodity Description and Coding System (Harmonized System) is an international product nomenclature in force since 1 January 1998 (International Convention on the Harmonized System). Its main application is for the classification of goods for Customs tariffs and for the collection of trade statistics. It is also widely used for the rules of origin and for all kinds of transactions in international trade (transport, insurance, trade monitoring of controlled goods, etc.). The WTO schedules of almost all Members are based on the Harmonized System, which means that more than 95% of world trade is covered by the Harmonized System. The Harmonized System groups product items in 96 Chapters, 1,241 headings and more than 5000 subheadings. It provides a legal and logical structure, supported by well-defined rules, to secure uniform classification. In order to keep the Harmonized System up to date and to take into account changes in technology and the development of new products, the Convention provides for periodic amendments. Two revisions have taken place (1992 and 1996).

1.10 The Harmonized System (HS) contributes to the facilitation of international trade by providing a common basis for classification of goods. The HS Convention has now 96 Contracting Parties and about 170 countries apply HS-based Customs tariffs and trade statistical nomenclatures (October 1998). In order to secure uniform interpretation and application of the legal texts of the HS, the WCO has put in place a number of programmes. These include settling of classification questions and disputes, publishing of classification related information on the internet (www.wcoomd.org), development of classification infrastructure and best practices in developing countries, pre-entry classification information programmes and development of a commodity data base (CD-ROM) giving HS classification of more than 200,000 commodities in trade.

Integrity of Customs Administrations

1.11 (update of paragraph 49) The international customs community realized the need to deal effectively with the problem of integrity at the Trade/Customs interface and the WCO adopted the Arusha Declaration in 1993. The declaration calls for:

- clear and precise Customs legislation, moderated import tariffs, limited number of tariff rates, minimum administrative regulation of trade, and standard rules with minimum number of exemptions;
- simple, consistent, non-discretionary and easily accessible Customs procedures with possibilities of legal remedies;
- utilization of automated processes;
- appropriate measures in human resource management including rotation of assignments and relocation of staff, proper recruitment, adequate training, and sufficient remuneration;

- more responsibility and accountability of line managers in identifying weakness;
- more effective internal and external audit;
- more loyalty and pride among Customs officers;
- clear direction to Customs officers on expected behaviour;
- open and transparent relationship with the business community.

1.12 The WCO Secretariat hosted an open discussion on this issue in Brussels in April 1998. The Customs Integrity Forum was attended by heads of Customs administrations, relevant international organizations (OECD, ICC, Interpol, Transparency International) and representatives of the business community.

1.13 The recommendations from the Forum were discussed at the annual meeting of the Council of WCO in Morocco in June 1998 and it was decided to develop an Integrity Action Plan to help Members' Customs administrations to improve integrity within Customs. The draft Action Plan has been produced in September 1998 and this Plan is expected to be approved by the Council in June 1999.

Customs Reform and Modernization Programme

1.14 (*update of paragraph 50*) The Customs reform and Modernization (CRM) Programme is a new and comprehensive approach to help to improve the performance of Customs administrations as a whole and meet the expectations from society, business and governments. The CRM Programme is a management tool available to Customs administrations to better understand the requirements of the changing external and internal environment, and to develop self-assessment abilities and skills to implement a change programme.

1.15 The Programme consists of four stages:

1. Entry state Initial assessment of the readiness with Customs to implement such a Programme;
Delivery of the Customs Orientation Package for Policy Makers which explains the role of modern Customs and its importance to society, business and government;
Securing political commitment and financial resources from government, and co-operation and support from trade.
2. Diagnostic Study and Planning Stage

Key managers of Customs make an assessment of the situation, identify the problem areas, root causes to problems, agree on solutions and develop an Implementation Plan.
3. Implementation Stage

Falling mainly on the beneficiary Customs administration and donors, the WCO Secretariat assists with a wide range of support programmes on legislation, Customs systems, processes, compliance, management techniques, human resource development, integrity, and/or automation.

4. Evaluation Stage

Measurable changes in systems, policies, structures and procedures in the Customs administration are recorded and evaluated.

1.16 WCO CRM Programmes have been completed in Latvia, Senegal and Uganda, and are currently under implementation in Cuba, Lithuania, Mauritius, Namibia and Sri Lanka and on regional basis in the Southern African Development Community. The Programme is currently under preparation in Bangladesh and Mongolia.

1.17 The WCO has developed the tools for implementation, trained 150 experienced Customs officers to use these tools and maintains a pool of accredited facilitators who help the process of self-assessment in beneficiary countries. The WCO Secretariat's roles include the promotion of this Programme and brokering donors and recipient Customs administration together.

Other WCO technical assistance activities

1.18 The main objectives of the WCO training and technical assistance programme are:

- to ensure the implementation and uniform application of Customs Convention and Recommendations (e.g. the Single Goods Declaration) developed and administered by the WCO;
- to improve the effectiveness and efficiency of Customs administrations in the enforcement of regulations and in the delivery of quality service to the society, to the business community and to government;
- to help Members' Customs administrations to reform and modernize their organizations, to employ modern technologies to introduce better management practices and human resource management including training system development, greater transparency in procedures, and improve the integrity of their staff.

1.19 The WCO offers 38 standard training programmes in the fields of Harmonized System, Customs Valuation, Origin of goods, Customs procedures, Computerization of Customs, Enforcement, Organization and Human Resources Development in Customs administrations. The WCO has developed 66 training modules to assist technical training for Customs officers. The WCO carries out 250 seminars, training courses and expert missions annually.

United Nations Commission on International Trade Law (UNCITRAL)

1.20 In addition to the legal instruments mentioned in Annex IX to document G/C/W/80, UNCITRAL has developed the *Model Law on Procurement of Goods, Construction and Services (1994)*.

1.21 The Model Law was prepared as a tool for States seeking to modernize their procurement legislation by maximizing competition, according fair treatment to suppliers and contractors bidding to do Government work, and enhancing transparency and objectivity. The procedures prescribed in the Model Law assist States in creating an environment in which the public is assured that the Government purchaser is likely to spend funds with responsibility and accountability and in which parties offering to sell to the Government are confident of obtaining fair treatment. To assist with enactment and interpretation, the Commission has produced a *Guide to Enactment of the UNCITRAL Model Law on Procurement of Goods, Construction and Services*.

1.22 Work in UNCITRAL is currently progressing on the development of a Convention on Assignment in Receivables Financing.

1.23 The status of the following Conventions has changed since document G/C/W/80 was compiled:

Convention on the Limitation Period in the International Sale of Goods (New York, 1974)

1.24 The number of Contracting Parties to the Convention has increased from 20 to currently 24, of which 17 (before 14) are parties to the Convention as amended.

United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980)

1.25 The number of Contracting Parties to the Convention has increased from 45 to currently 53.

United Nations Convention on the Carriage of Goods by Sea (Hamburg, 1978) (the "Hamburg Rules")

1.26 The number of Contracting Parties to the Convention has increased from 25 to 26.

Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958)

1.27 The number of Contracting Parties to the Convention has increased from 110 to 120.

United Nations Convention on Independent Guarantees and Stand-by Letters of Credit (New York, 1995)

1.28 The Convention which was adopted and opened for signature by the General Assembly on 11 December 1995 will enter into force upon the deposit of 5 instruments of ratification, acceptance, approval or accession. To date, the deposited ratifications and accessions total 3 in number.

International Maritime Organization (IMO)

1.29 IMO membership has increased from 155 to 156 (plus two associate members). The number of contracting parties to the Convention on Facilitation of International Maritime Traffic (FAL) has meanwhile increased from 79 to 82. Next to those Conventions listed under paragraph 55, other IMO Conventions related to trade facilitation include the "International Convention on the Safety of Life at Sea," (SOLAS) 1974, and the "International Convention for the Prevention of Pollution from Ships," as modified by the Protocol of 1978 (MARPOL 73/78); and the "International Convention for Safe Containers," (CSC) 1972. These Conventions contain rules on several Certificates without which ships cannot trade and containers cannot be transported.

1.30 In addition to those intergovernmental organizations mentioned in Annex X, the IMO cooperates also with UN/ECE and ICAO, and the nongovernmental organizations BIMCO and ICHCA.

1.31 In regard to the facilitation of international maritime traffic, a number of technical cooperation activities are currently undertaken, a new set of amendments is considered by the Facilitation Committee and emphasis of that Committee's work is given to the development of provisions for the resolution of stowaway cases and the use of EDI in ship's clearance, including the approval of relevant EDIFACT messages and their appropriate Implementation Guides.

UN Economic and Social Commission for Asia and the Pacific (ESCAP)

1.32 In recognition of the importance of micro-level efficiencies to promote inter and intra regional trade in the Asia and Pacific region, ESCAP has been initiating various programmes and projects to promote trade facilitation measures and electronic commerce in the region. In these activities, close collaboration has been maintained with other regional and international organizations and other UN agencies, including UN/ECE, CEFACT, AFACT (Asia Council for Facilitation of Procedures and Practices in Administration, Commerce and Transport; former ASEB), EAN International, etc.

1.33 An ESCAP Network on Trade Facilitation was set up with a view to bringing together the national trade facilitation organs and national focal points established in the Asia and Pacific region and to contribute to the development of trade facilitation issues and electronic commerce. It is a mechanism by which the interests and needs of ESCAP member and associate member countries could be reflected in deciding the shape of trade facilitation measures and electronic commerce.

1.34 ESCAP has developed two training modules "EDI – A Management Overview" and "EDI and UN/EDIFACT – A Technical Overview", which have been included in UNCTAD and ECE as well as national and regional training activities in the ESCAP region. Currently "A Technical Overview" is under revision and the revised version will be uploaded on the ESCAP Homepage during the first half of 1999. "A Technical Overview" is also available in Russian language.

1.35 ESCAP has also developed ESCAP Trade Documentation Software (TraDesTM). It incorporates many of the "standards" and "best practices" being promoted by the United Nations and other international organization to facilitate trade, including the UN Layout Key, data referencing system, codes, application of electronic commerce capabilities such as fax and the Internet, etc. It assists trade practitioners in both public and private sectors, especially SME's to produce and exchange trade documents more speedily with less paper works and errors, cutting down on time and costs in trade transaction. Being generic, it could be tailored to meet requirements of each country.

1.36 ESCAP has been developing country-specific International Trade Transaction (ITT) models on air express consignment of India, Malaysia, the Philippines and Sri Lanka. It is to eliminate unnecessary procedures, rationalise and harmonize trade transaction processes using the WCO's guidelines for clearance of express consignments. ESCAP has prepared a report "ITT Models as an aid to the process of harmonization". All country ITT models would be completed by the middle of 1999.

1.37 In the ESCAP region, a number of countries are implementing pilot projects to introduce trade facilitation measures and electronic commerce with technical assistance from ESCAP, including regional advisory services. These case studies illustrate the step-by-step approach recommended by the Commission to assist countries at different levels of development. Four cases studies were presented at the Tenth Meeting of the Steering Group of the Committee for Regional Economic Cooperation held during 9-11 September 1998 in Bangkok, namely 1) Trade documentation alignment and development of trade documentation software of ESCAP for Sri Lanka; 2) Total national EDI implementation by Macau; 3) Automation of the textile quota and export clearance system of the Philippines; and 4) Sectoral electronic commerce implementation for an automobile industry in India. These cases are available on the ESCAP Homepage, International Trade and Economic Cooperation Division, Trade Facilitation at the URL address "www.unescap.org".

1.38 ESCAP has been active in conducting a series of national and regional level workshops to build national capability use trade facilitation measures and electronic commerce in the conduct of international trade. Till today, national workshops were held in Armenia, Bangladesh, India Islamic

republic of Iran, Maldives, Mongolia, Myanmar, Lao People's Democratic Republic, Macau, Nepal, the Philippines, Russian Federation, Sri Lanka, Tonga, Vanuatu, Viet Nam.

1.39 In 1998, within a framework of "Maximizing Benefits from ASEAN: Assistance to new ASEAN Members in building national capacities for AFTA implementation and trade facilitation", assistance was provided for the new ASEAN member countries (Myanmar, Lao PDR and Viet Nam) and Cambodia to build national capability in applying trade facilitation measures and electronic commerce. ESCAP has aligned and standardized the trade documents currently in use in these countries. Further ESCAP has incorporated the aligned trade documents of the countries into TradeSTM. National workshops on "Maximizing benefits from ASEAN on economic cooperation and trade facilitation" were held in June 1998 in Ho Chi Minh City and Yangon. At the meetings, it was recommended that the concerned government authorities should consider to accept the aligned trade documents with the codes and standards as a national set of trade documents. A sub-regional (ASEAN) seminar entitled "Enhancing Integration of New Members in the ASEAN Process through Economic Cooperation and Trade Facilitation" was also held in Bangkok in September 1998. The Seminar focused on business facilitation and electronic commerce as action agenda for the ASEAN members.

1.40 ESCAP is currently preparing a theme paper for the fifty-fifth Session of the Commission in April 1999, "Asia and Pacific into the twenty-first century; Information technology, globalization economic security and development", which includes trade facilitation and the electronic commerce issues. ESCAP plans to continue assisting the countries in the region in this field through its technical assistance programme as well as TCDC and tripartite cooperation to encourage sharing of experiences.

Organization for Economic Cooperation and Development (OECD)

1.41 The Committee on Consumer Policy has been examining a number of issues related to consumer cross-border transactions, including parcel delivery and customs. Roundtables were held in June and October 1996 to examine issues that might impact the cost of shipping parcels internationally. At a subsequent roundtable on the simplification of Customs clearance procedures (September 1997), organized in cooperation with the World Customs Organization, participants discussed policy approaches for simplified procedures that could benefit consumers as well as Customs authorities and businesses. It is important to note that, as electronic commerce expands, the increase in consumer purchases of tangible goods will make it more urgent to resolve existing delivery problems and to streamline Customs procedures in order to maintain flexible and efficient distribution channels. Current work on these issues is, for the moment, focused on fiscal aspects of customs and is being done by OECD's Committee for Fiscal Affairs in consultation with the WCO.

1.42 With respect to electronic information exchange and commerce, the Committee for Information, Computer and Communications Policy has been working on policy aspects related to computer technology for interactive communications since 1993. In October 1998, the OECD organized a Ministerial Conference, "A Borderless World: Realizing the Potential of Global Electronic Commerce". At the conference, Ministerial Declarations that establish baseline principles and goals, and provide guidance regarding the OECD's further work, were adopted in three critical areas, i.e. Protection of Privacy on Global Networks, Consumer Protection in the Context of Electronic Commerce, and Authentication for Electronic Commerce.

1.43 In general, data requirements, formalities and practices at the border arise from domestic regulations. OECD has been engaged in concerted work on regulatory reform since its 1995 Ministerial Meeting, work which has involved a broad range of analysis and discussion in a number of different OECD committees. In 1998, a series of reviews was initiated Organization-wide of regulatory systems and reform efforts in different OECD countries. In this context, the Trade

Committee has been studying the market access effects of domestic regulations (including those for administering trade). The analysis has examined in particular the extent to which countries achieve efficient regulation through the application of six principles: i.e. transparency and openness of decision-making; non-discrimination; avoidance of unnecessary trade restrictiveness; use of international harmonized measures; recognition of other countries' regulatory measures; and application of competition principles from an international perspective. In the review, particular attention is paid to selected sectors such as telecommunication equipment, automobile, electricity and telecommunication services. With respect to the use of international harmonized measures, the Chemicals Committee and the Environment Policy Committee are working for harmonization of national chemical safety policies and instruments and harmonized global control system for transboundary movements of wastes.

1.44 Due to increasing concerns that corruption may counteract any trade facilitation efforts, OECD has studied, since 1996, the issue of integrity and corruption from the point of view of both public sector and private sector, emphasizing its adverse effect on national development. The recent most significant output is the "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" which was signed in December 1997. In April 1998, the OECD Ministerial Council adopted the "Recommendation of the Council on Improving Ethical Conduct in the Public Service including Principles for Managing Ethics in the Public Service". Following this recommendation, the Public Management Committee has been further studying and assisting the member governments' efforts in this issue.

II. INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS

International Organization for Standardization (ISO)

2.1 ISO is a world-wide federation of national standards bodies, at present comprising some 130 members (one per country). The object of the organization is to promote the development of standardization and related activities in the world with a view to facilitating international exchange of goods and services and to developing cooperation in the spheres of intellectual, scientific, technological and economic activity. The core activity of ISO is the development and publication of International Standards; their preparation is a collaborative work between the national standards bodies of ISO and international organizations in liaison, governmental and non-governmental.

2.2 The role of International Standards in avoiding technical barriers to trade is recognized in the WTO Agreement on Technical Barriers to Trade. The development and harmonization within ISO of global standards to reduce inefficiencies in international commercial transactions is generally viewed as furthering the objectives of trade facilitation in the economic sectors using these standards. Activities specifically focused on trade facilitation are reported below.

Information technology and electronic commerce

2.3 ISO collaborates with its partners in international standardization: the International Electrotechnical Commission (IEC) and the International Telecommunications Union (ITU), whose scope of activities complement those of ISO. The three organizations have a strong collaboration in standardization, particularly in the field of information technology and telecommunications which are relevant to the field of electronic business. The latter field includes the areas of business scenarios, messages and interoperability for business transactions and product definition data standards for design, manufacturing and product support. In the domain of Electronic Business, ISO and IEC are also cooperating with the UN/ECE through a Memorandum of Understanding. The work programmes of the three organizations are coordinated at the highest level by a management group.

2.4 The technical work in preparing ISO standards is carried out by technical committees in which national delegations of ISO members participate together with interested international organizations. The technical committees active on subjects relating to trade facilitation are:

ISO/IEC JTC 1 *Information technology*

2.5 This joint technical committee of ISO and IEC (JTC 1) is responsible for standardization in the field of Information technology. The JTC 1 subcommittee 32 *Data management services* develops *open-edition* scenarios and is responsible for the maintenance of the *open-edition* reference model (ISO/IEC 14662). In this context of *open-edition*, JTC 1/SC 32 is responsible for the development of methodologies and formalisms for creating and specifying *Business Information Models* (BIMs), for example: the *Semantic Descriptive Techniques*. Various JTC 1 subcommittees are responsible for the standardization of technical documentation related to *edi* and *open-edition* as well as for the standards for processing multiple languages, character sets and encoding.

ISO/TC 184 *Industrial automation*

2.6 The subcommittees 4 *Industrial data* of ISO/TC 184 is responsible for the development of standards on industrial engineering practices, information and procedures. This committee cooperates, for this purpose, with IEC/TC 93 *Design automation* and with the UN/ECE.

ISO/TC 46 *Information and documentation*

2.7 This committee has prepared and is maintaining a series of standards for indexing, at the international level, traded publications:

ISO 2108 ISBN (International standard book numbering)
ISO 3297 ISSN (International standard serial numbering for periodical publications)
ISO 390 ISRC (International standard recording code)
ISO 10444 ISRN (International standard technical report number)
ISO 10957 ISMM (International standard music number)

2.8 ISO/TC 46 has also prepared ISO 3166 *Codes for representation of names of countries and their subdivisions*. Moreover, this ISO/TC establishes the International Standards for transliteration of various alphabet/characters into Latin characters.

ISO/TC 68 *Banking, securities and other financial services*

2.9 With regard to facilitation of trade, ISO/TC 68 has prepared and is maintaining International Standards for safe electronic transfer of funds and, in general, for security in bank-to-bank messages, in particular, security in *edi* transmission. Moreover, the committee is particularly responsible for the maintenance of ISO 4217 *Codes for the representation of currencies and funds* based on ISO 3166 and ISO 9362 *Banking telecommunication messages – Bank identifier code (BIC)*.

ISO/TC 154 *Documents and data elements in administration, commerce and industry*

2.10 ISO/TC 154 is preparing International Standards for information interchange within administration, commerce and industry. It has endorsed the UN/EDIFACT standard of UN/ECE as ISO 9735 *Electronic data interchange for administration, commerce and transport – Application level syntax rules* as well as ISO 7372 *Trade data interchange – Trade data elements directory* (TDED). Since the standardization of syntaxes for electronic business is broader than UN/EDIFACT, it has been agreed between UN/ECE, ISO and IEC to develop further work in a joint group under a formal Memorandum of Understanding (MoU). This MoU further notes that ISO/TC 154 is responsible for the management of the *Basic Semantic Repository* (BSR) project aiming at providing an

internationally agreed database for use by developers of software for a wide range of applications including *edi*.

Others

2.11 Other technical committees oriented towards the preparation of technical industrial standards are occasionally developing standards relevant for facilitation of trade such as ISO/TC 22 *Road vehicles* which prepared ISO 3780 *World manufacturer identifier* (WMI) code and ISO 4100 *World parts manufacturer identifier* (WPMI). ISO/TC 104 *Freight containers* has developed ISO 6346 *Freight containers identification and marking* and ISO 9897 *Freight containers – Container equipment data exchange*, ISO 10374 *Freight containers – Automatic identification*.

Note: There are more International Standards published by ISO and IEC that are relevant to trade facilitation than those mentioned above, in particular those relating to funds transfer, securities, identification cards, and automation in general. The standards listed above have been selected to give a general idea of the broadness of ISO activities with regard to trade facilitation. The Catalogue of ISO and ISO/IEC standards contains more than 11000 titles and can be searched online on the ISO Web site <http://www.iso.ch>.

International Chamber of Commerce (ICC)

2.12 The International Chamber of Commerce requested the Secretariat to update the information contained in paragraphs 69 to 72 as follows:

2.13 ICC, as non-sectoral and global organization, often serves as a focal point for trade facilitation activities among non-governmental organizations. Its membership extends to several thousand enterprises in more than 130 countries worldwide. It gathers, coordinates, and represents business views on all issues relating to trade and customs procedures, documentary requirements, regulatory reform, transport, electronic commerce and other subjects that influence the free flow of goods across borders. In 1996, ICC identified customs modernization and reform as a key concern for the future and developed the *ICC International Customs Guidelines*, which form a comprehensive set of practices for those engaged in international trade and transport. The 60 Guidelines draw heavily on the Kyoto Convention and on the Columbus Declaration (For an overview of the guidelines, please refer to Annex XI). Since 1996, the ICC has a formal *Cooperation Agreement* with the WCO.

2.14 ICC's work is generally carried out by its Commissions and Committees of businessmen, each attending to one or several issues related to trade, business, investment or trade facilitation. On 1 January 1997, the ICC *Committee on Trade Regulation* was restructured and renamed as the *Committee on Customs and Trade Regulations* to denote the ICC's new emphasis on customs reform. Elements of this Committee's work program include:

- promotion and awareness-building of the *ICC International Customs Guidelines* in other business organizations and governments;
- provision of business input into WTO work on customs procedures and requirements as a follow-up to the Singapore decision on Trade Facilitation (for specific recommendations in this area please refer to ICC policy statement 103-32/57 of November 1997 in Annex ??);
- increased business-customs cooperation under the auspices of the ICC/WCO Cooperation Agreement to promote efficiency in customs control and facilitation; and
- development of a range of practical uses for the ICC International Customs Guidelines as a basis for assessing customs efficiency and monitoring progress in implementation.

2.15 Other Commissions with a close link to trade facilitation are the *Commission on International Commercial Practices* which keeps ICC's Incoterms up-to-date and publishes a range of model contracts and other instruments for traders.. The *Transport Commissions* provide fora for resolution of problems involving multiple players in the transport sector. The *Standing Committee on Extortion and Bribery* promotes the ICC's Rules of Conduct to Combat Extortion and Bribery in International Business transaction by encouraging cooperation between business and governments worldwide. The *Commission on Banking Techniques and Practices* sets self-regulatory standards for parties involved in trade finance, including the Uniform Customs and Practice for Documentary Credits (UCP). Finally, ICC's Commission on Telecommunications and Information Technologies and the multi-disciplinary Electronic Commerce project address policy and practical aspects of electronic commerce to promote the development of self-regulatory frameworks for trade over open networks.

2.16 The ICC promotes harmonized business practices among its members to smooth cross-border trade. It has developed several business tools for use by the trade community. These are presented in Annex XII of document G/C/W/80.

International Chamber of Shipping (ICS)

2.17 The ICS has informed the Secretariat that it has consultative status with IMO, WCO, UN/ECE, ISO and ICC. Its recent work has included promotion of the adoption of EDIFACT standards for the electronic transmission of ships reports to port and national authorities, the preparation and adoption of IMO Guidelines on the treatment of stowaways and, with UB/ECE, the improvement of standards and codes for the representation of locations.

International Road Transport Union (IRU)

2.18 The IRU Secretariat requested to update paragraph 74 as follows:

2.19 Road transport is the most important form of all land transport categories in terms of tonnage, mileage, passengers carried, and value of goods transported. The objective of the IRU is to promote national and international road transport and to safeguard the interests of professional road transport and transport. The IRU is the international forum and spokesman for national road transport organisations from 64 countries. It is the international guarantor of the TIR system (*Customs Convention on the International Transport of Goods Under Cover of TIR Carnets*), established in 1959 (renewed 1975) under the auspices of the United Nations Economic Commission for Europe. In cooperation with national member organizations, the IRU issues more than 2,000,000 TIR carnets per year. The IRU publishes results of studies on road transport indices (forecasts), monthly border waiting time statistics and a twice-yearly selection of international road transport documentation.

2.20 It was further suggested to amend the initial paragraph of Annex XIII (Additional Information on IRU Activities) as follows:

2.21 The IRU is currently identifying barriers to international road transport of passengers and goods and is quantifying their impact on trade and tourism. It is focusing on administrative difficulties (permits and quotas), excessive and discriminatory fiscal charges, border crossing difficulties, traffic restrictions (bans and blockages) and restraints on the free movement of professional drivers (visa problems).

International Federation of Freight Forwarders Associations (FIATA)

2.22 The FIATA secretariat requested that the information provided in Annex XIV of document G/C/W/80 be amended as follows:

2.23 FIATA represents the interest of the freight forwarding industry through participation as advisers or experts in meetings of international bodies dealing with transportation. FIATA is globally recognized as the official representative organization for freight forwarding services. Through its 96 ordinary members (national associations) and over 2600 associate members (individual freight forwarders) in 150 countries, FIATA is estimated to reach out to some 40'000 companies world-wide.

FIATA trade facilitation documents and forms:

- FIATA FBL (Negotiable FIATA Multimodal Transport Bill of Lading) which is recognized by the ICC and its members worldwide;
- FIATA FWR (FIATA Warehouse Receipt);
- FIATA FCR (FIATA Forwarders Certificate of Receipt);
- FIATA FCT (FIATA Forwarders Certificate of Transport);
- FIATA FFI (FIATA Forwarding Instructions);
- FIATA Model Rules of Freight Forwarding Services;
- FIATA SDT (FIATA Shippers Declaration for the Transport of Dangerous Goods);
- The Air Waybill recommended by FIATA for use by Freight Forwarders
- FWB (non-negotiable FIATA Multimodal Transport Waybill)
- FIATA SIC (Shippers Intermodal Weight Certificate)

2.24 The “*FIATA Customs Clearance Manual*”, intended for daily use of freight forwarder, is based on the Kyoto Convention and the Harmonized System. The “*Facilitation Manual*” is based on Recommendations by the UN ECE WP.4.

Other FIATA activities

2.25 Assistance to the freight forwarding industry through training (e.g. The joint IATA/FIATA training programme to educate freight forwarders in the handling of air cargo), help with liability insurance problems and implementation advice for electronic data interchange. For all FIATA transport documents exist EDI messages based on UN/EDIFACT. For EDI transmission of FIATA documents, EDIFOR (EDI for the Forwarding Industries) guidelines were developed by FIATA.

2.26 FIATA's work is organized in so-called “Institutes”, , Advisory Bodies and Working Groups that identify problems in certain sectors, and work towards solutions, either through international organizations or through direct contact with administrations. Presently there exist the following bodies:

- Airfreight Institute
 - Customs and Facilitation Institute
 - Multimodal Transport Institute
 - Advisory Body Dangerous Goods
 - Advisory Body Legal Matters
 - Advisory Body Public Relations
 - Advisory Body Vocational Training
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